

REASONS

G R O U N D E D O N

F A C T S.



S H E W I N G,

I. That a new Duty on Sugar must fall on the Planter.

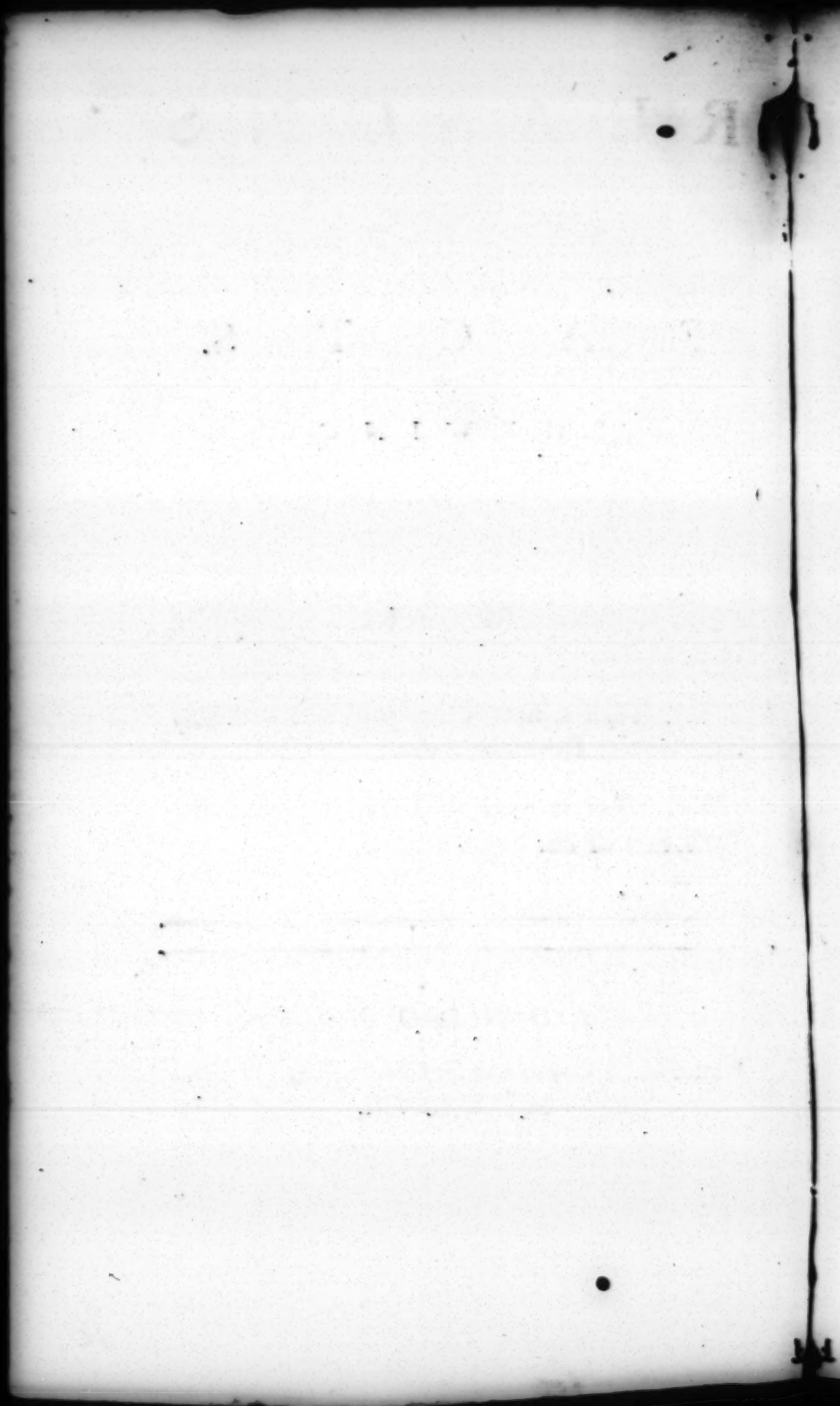
II. That the Liberty of a direct Exportation to Foreign Markets will not help him in this Case.

III. That a new Duty will not certainly increase the Revenue. And,

IV. That it will probably occasion the Desertion of our Sugar Islands.

L O N D O N :

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R E A S O N S

Grounded on FACTS, &c.

THOUGH the Arguments made use of in 1743, against a then intended additional Duty on Sugar had their full Weight in the House of Commons, and those which were at that Time, and have been since offered, remain unanswered; yet the Sugar Colonies are still under the unhappy Necessity of defending themselves against that destructive Design, which appears

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pears to be once more reassumed upon a wrong Conclusion, that all Taxes must necessarily fall on the Consumer, because, as it is alleged, the bare Apprehensions of a new Duty on any Commodity always raises its Price. How far this Reasoning is just, particularly with regard to Sugars, will appear from the following Considerations.

It is a known Maxim in Trade, that the Price of any Commodity rises or falls according to its Plenty or Scarcity at Market ; or in other Words, in proportion to the Demand ; it being an absolute Contradiction to suppose, that great Plenty and a high Price on the one Hand, or on the other, great Scarcity and a low Price, can exist at one and the same Time. Hence it plainly appears, that the Price of no Commodity can be forced but by actually reducing the Quantity, or by ingrossing it. Now whether the Planters abroad are able, by their own Act, to lessen the Quantity or Produce of Sugar, or the Merchant here to ingross it, is the Question ; for if neither of these can be done, the Price cannot be artificially raised.

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With respect to the Planters abroad, the Charge of maintaining Sugar Plantations is so great, that if they are not kept up to the Height, if they are suffered to remain uncultivated but for one Year, the Planters must be ruined. For seven eights of them are deeply in debt to *Great Britain*, and pay a large annual Interest besides; and not only so, but most commonly depend upon fresh Credit from hence, in order to carry on their Works, and if the Merchant here were not to be reimbursed by constant and regular Consignments, he will of course give no further Credit. The Planters abroad have no Convenience to keep their Sugars on Hand, nor would it be prudent for them to do it, because a great Glut coming at once to the *British* Market must necessarily sink the Price to nothing. But upon a Supposition, that they could keep their Sugars, and were out of Debt, yet they can never lessen the Quantity of Sugar, or feed the Market, in Proportion to the Demand, because they cannot know or foresee it in Time. And if these Objections were removed also, still as every Community consists of many Individuals, it would be extremely difficult to get any one of our Sugar Islands to agree

upon this Point. And as to any Attempt to lessen the Quantity of Sugar by a Law, the King's Governor, and the Crown itself, would soon put a Stop to such a Proceeding.

If these Difficulties lie in the way of a single Island, how much harder must it be to procure the general Consent of several Islands, distant many hundred Leagues from each other, and when some of them have no Communication but by the Way of *Great Britain*? for unless they were all to agree, the Project of lessening the Quantity or Produce of Sugar would be of no Effect.

The Merchant, when Sugar is imported into *Great Britain*, is obliged to disburse large Sums immediately, on the landing thereof, for Duties and Freight, and frequently before the Sugar is sold, generally before he is in Cash for it, to pay the Planters Bills. In this Case he has no Choice, but must part with his Sugars on the first tolerable Offer; so that under these Circumstances, he cannot pretend to engross this Commodity. And here it ought not to be concealed from the Publick, that something of

of this Sort was once attempted upon a Trial of Skill between the *West-India* Merchants, on the one Hand, and the Refiners and Grocers on the other. The Former strove to keep up the Price of raw Sugar, the Latter to bear it down; but both Sides heartily repented of the Contest, for in the Issue the Consumption was extremely hurt, and the Price of Sugars, both raw and refined, fell of course, so that no such Experiment ever has been, or perhaps ever will be thought of again. This last Circumstance will help to lead us to the true Distinction between the Vender of a Commodity that is absolutely necessary, and the Vender of one that is not so. The Merchant defeats his own Purpose by endeavouring to strain the Price of Sugar too high. People, in that Case, grow more sparing in the Use of it, and the Demand lessens; but if our Shoemakers should refuse to work, we must all *immediately* go bare-foot or comply with their Terms.

It follows then, that if the general Quantity of Sugar can neither be lessened abroad, or profitably monopolized at home, it must be sold at the natural Market Price; and when a Commodity comes thus fairly to
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Market, Duties can have no Effect upon the Price, for that arises from the Demand, and the Demand from the Buyers Wants, which it would be absurd to say, the laying any Duty can create, or the not laying it lessen.

Should it be said, that when the Produce of the Sugar Colonies falls short of the home Consumption, or does not exceed it, then it will be in the Power of the Vender to force his own Price: Undoubtedly it will for a Time; but then one of these inevitable Consequences would immediately follow upon it; either the Consumption would be greatly lessened, or the Overflowings of the *French* Sugar Colonies would find their Way into this Kingdom, and in each of these Cases the Price of Sugar must fall again.

When the fair Price at Market proves to be, what the Merchants call, a Living Price, the Planter and Consumer each bears his due Proportion of the Taxes, and other Charges that attend the Commodity till it comes to Market. When it is below this Price, the Burthen falls upon the Planter; when above it, upon the Consumer. So that the only remaining Question is, Whether upon the whole,

whole, and taking a Number of Years together, Sugar has, or has not, been at a living Price to the Planter? No certainly; for in a plentiful Year, and when Sugar is cheap, the Planter is confessedly burthened with all Duties and other Charges; in a scarce one, such as the present has been, the high Price is so far from making Amends for the Loss in Quantity, that good Crops for two Years to come, and a great Price too, will scarcely reinstate the *Leeward Islands* and *Barbadoes* in their late Condition before the Beginning of the current Year. So that a high Price and living one do not necessarily mean one and the same Thing.

That the Price in general has not been a living one, will farther appear, by enquiring, Whether our Sugar Colonies do not decline. If this is the Case, as the Sequel will prove it to be, no stronger Indication can be had, That *British* Sugar in general has not afforded what is called a Living Price: That the present Duties have fallen *chiefly* on the Planter; that he is *already* overloaded, and consequently unable to support the Weight of a new Duty, together with the accumulated and excessive Charges which he is subject to, especially
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n time of War, and under short Crops: Therefore if an additional Duty were now to be laid upon Sugar, it must fall upon the Planter; for it is a Mistake to say that the Rate which Sugar now bears is owing to the Apprehensions of a new Duty. The true and only Cause is the gradual decrease of our Importation; which, for the last four Years, is less by seventeen thousand Hogsheds *per ann.* than it was for the four Years preceding the War. And this accounts at once for the Price, without having recourse to the Apprehensions of an additional Duty, which must have had a strange sort of Effect indeed, if they could raise and keep up the Price for so many Years together. But they have certainly had one immediate and very pernicious Effect; for the Merchants of *London* have actually begun to refuse the usual Credit to the Planters, and an additional Duty will put an entire stop thereto, and by that means utterly disable them from settling new Plantations, or carrying on those already settled.

What has been said may be sufficient to prove the Point intended; but a few Arguments drawn from Experience are more convincing than a Volume of speculative Reasonings; and therefore it will not be improper

per to produce the following Matters of Fact.

First, When Sugar was subject to a Duty of only Eighteen Pence a hundred, it sold for Forty Shillings and upwards, particularly about the Year 1697: Whereas, soon after, the Duty was raised to Three and Sixpence, it sold much lower, and for no more than twenty-two Shillings the hundred at a Medium, in the Years 1731, 1732, 1733, 1734, and Part of 1735. In 1746 Freight from the *Leeward Islands* was ten Shillings the hundred, in 1747, five Shillings only; yet Sugars sold highest the last of these two Years. From hence it may be fairly inferr'd, that the Price of Sugar is not governed by the Duties and other Charges that attend it.

Secondly, Indico, is a very pertinent Instance of the baneful Effects of additional Duties on the Growth and Produce of our Sugar Colonies. Indico was formerly a *British* Commodity, but it is now become a *French* one. *Additional Duties* soon brought about this remarkable Change. The Commodity was *first* lost to us, and *then all* the Duties were taken off. An incontestable Proof that the Cause of the Evil was seen and acknowledged, but unhappily the Remedy was applied

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plied too late ; for if the Duties had either been taken off in time, or if the Weight of them had fallen on the *Consumer* instead of the *Planter*, beyond all Dispute the Growth of Indico had never been wrested out of our Hands.

It is fallacious to suppose that the *British* Plantations will not bear Indico, when it is well known there are numberless Spots and seasonable Situations in the Island of Jamaica, as capable of producing it as any part of the *French* or *Spanish West-Indies*. And with regard to what some People alledge, that it is not so profitable a Commodity as Sugar, and therefore that our Planters laid it aside ; the Practice of the *French* at *St. Domingo* and their other Settlements, is sufficient to convince us, that the Growth of Indico and Sugar are very consistent, and may be profitably encouraged and brought to bear at the same time in one and the same Island ; and if our Planters do not now follow their Example, what does it shew, but the extreme Difficulty of recovering any Branch of Trade after it once comes to be lost ?

Thirdly, The last Instance to be mentioned is Ginger, another *West-India* Product, and of special Use to the Planter for impoverishing the rank and luxuriant Quality of
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of those new Lands, which will yield very little Profit under any other Improvement, whereas no Soil can be too rank for Ginger; but the Importation of this Commodity also, is in a great measure lost by the same means; and it ought to be remarked, that the high Duties which have born it down, do not much exceed those which will be chargeable on Sugar, if the supposed additional Duty should be laid.

Thus it appears at one short View, that our *West-India* Colonies, from time to time, by Duties accumulated on Duties, have been driven from one Kind of Product to another, till the only valuable Branch of their Commerce which remains undestroyed, and their last Resource, is that of Sugar, and if this Commodity also should be still followed like the rest in spite of those strong Instances now before us, and contrary to the united Force of Reason and Experience, what, in the End, must be the Consequence, but the Ruin of the whole Sugar Trade?

But perhaps it may be said, that if a new Duty should take place, the Planter might find his Advantage, and make himself whole by a direct Exportation to foreign Markets.

It is very certain this Licence would be of admirable Use in an encreasing State of the Sugar Trade, but the Point at this time to be considered, is not how we shall regain *foreign Markets*, but how we shall preserve our *own*; for if a new Duty should be imposed, there is very little Prospect that the future Produce of the Sugar Colonies will exceed the Home Consumption. If the Planters were clear of Debt, if they had a sufficient Quantity of new Lands every where to work upon, if they were rendered capable of supporting in any Degree a Competition with the *French*, the Advantage of going directly to foreign Markets would be inestimable; but when the Produce of our Sugar Colonies declines daily, when by this means the Planters run deeper and deeper in the Merchant's Books, when they make but little Sugar, from the Discouragements they now labour under, and are obliged to send to *Great Britain* the little they do make, to discharge their Debts and pay for the Necessaries they must have from hence; when the *French* are able to spare 80,000 Hogsheads of Sugar annually to foreign Markets, over and above their own Consumption; when every one of these Difficulties must be heightened, and the Extension of the Sugar Colonies for ever restrained by an additional Duty; and to sum up

up all, when our Planters will be disabled from exporting, by those very Measures which are supposed to make it necessary for them to export; under these Circumstances to urge a direct Exportation to foreign Markets, what is it but to require the making of Brick without Straw, to propose the End when the Means are wanting?

Another material Point to be considered, is, how far this additional Duty will answer the Purpose of a Fund for raising Money, and whether it would not be an Encouragement to Smuggling?

The *British* Sugar Colonies are at this Time in a State of Decay, and their Produce is lessened from near ninety to sixty thousand Hogsheads of Sugar a Year; so that there is already a Deficiency brought on the old Sugar Revenue, during the four last Years only, of no less than 136,000 *l.* in the whole. This is the present Condition of that Revenue. But if Measures are pursued, which on the one Hand must create further Discouragements to the *British* Planter, and on the other, promote the rapid and surprizing Progress of the *French*, and when the Desertion of the Sugar Colonies, as well as the Practice of smuggling *French* Sugar into *Great Britain* (both which are already begun) shall become more general;

ral; let any impartial Man judge whether there is not sufficient Ground for the strongest, as well as the most melancholy Apprehensions, that our Islands will be still farther reduced from sixty to thirty thousand Hogsheads a Year, or under, should a new Duty be imposed *. If so, then the Revenue, instead of being annually enlarged will be annually brought in Debt. Besides, a Decrease in the Duty and Consumption of Sugar, will be followed by those of Tea, and many other Commodities, which pay great Inland Duties, and are either raised, manufactured or consumed by the Means of our Sugar Colonies. In this way of going on a farther Deficiency will arise in the Revenue, the National Debt will swell of itself every Year more and more, and a most dangerous Discredit will be brought upon our Publick Funds.

And as to the smuggling of Sugar, it is well worth the Trouble of Enquiry, how far this Practice has already taken Place, and whether considerable Quantities of *French* Sugar refined in *Holland* and *Hamburg*, made into small Loaves for this Purpose, are not daily run in upon the Eastern Coasts of *Great Britain*. This is a Matter which deserves very serious and imme-

* In fact the Importation of this very Year 1747. up to Christmas from all the Islands, does not exceed that Quantity.

diate Attention ; for the Nation will soon feel how essential the Difference is between paying ready Money for *French* smuggled Sugars, and being supplied with those of *British* Growth in Exchange for our own Manufactures.

Will additional Duties put a Stop to this Practice ? If the Parliament during the present Session should lower the Duties of Tobacco, doubtless it must be with a well grounded View, to raise the Revenue and prevent Smuggling ; will the direct contrary Means at the same Time answer the same Intention, raise the Revenue, and prevent the smuggling of Sugar ?

The Desertion of the Sugar Colonies has been suggested on former Occasions, and the Persons concerned have had the Misfortune to be verified in almost every one of their Apprehensions concerning the Sugar Trade for Twenty Years past. All wise Nations take the Alarm in the Beginning of Danger. It is too late to apply healing Remedies when the Evil has gained Root by being neglected. What is here observed, does not arise from a chimerical Opinion of a Fact that *may* happen ; many Planters are actually gone, irrecoverably gone, from *Barbadoes* and the *Leeward-Islands* ; and more are preparing to
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go, as will appear by a late Letter received from *Barbadoes*, which runs in the following Words, viz. *July 2, 1747.* " I can inform you that many Gentlemen of this Island, Col. G--- J—dge G—, Mr. B.--- M--jr. G. — Capt. B—, and many others, as well Planters as Merchants, have chose to lay out their Money in purchasing Plantations at *Barbecies*, and *Isequebe* [*Dutch Settlements near Surinam*] rather than in this, or any other of the *English* Sugar Islands."

And what less can be expected? For though both Houses of Parliament in divers Sessions before the War began, saw the Distress of the Sugar Colonies; came to several Resolutions and past many Acts for their Relief, yet our Planters hear nothing now but Rumours of new Burthens, at a Time when the most unseasonable Weather that ever was known, Hurricanes by Land, and Storms by Sea, have brought them to great Distress, and when their Condition in general is very far from being mended by the War? If Gentlemen therefore (who have it in their Power to encourage these Colonies) instead of commiserating their present Circumstances, should for Want of due Information aim at Measures, which in the Event will precipitate

late their Ruin, what is there left, but that the *British* Planters must seek for Refuge in some other Part of the *American* World?

Several Gentlemen have hinted to the Sugar Trade, though it is not their *Particular* Concern, to point out a better Duty; but, would it be either unseasonable or improper to expect, that they who think a Duty on Sugar the most eligible, should first take the Trouble to apply (if it were for Argument Sake only) all the Reasons they urge in Favour of that Duty to an additional Duty on Foreign Linnens? If the Duty falls upon the Consumer, how are Foreigners hurt by it, and what have they to complain of? If it is a Benefit to our own Manufactures, and a Prejudice to theirs, is that a Reason against the Duty? Upon the same Principles an additional Duty on *British* Sugar, would be an Encouragement to those of *French* Growth? The bare Mention of this Matter is sufficient to shew that a better Duty than that on Sugar might be pointed out, if the Case were to be decided by those very Reasons which are urged against the Sugar Colonies, or by any Reasons which a Subject of *Great Britain* may be willing to own.

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Upon the Whole, what appears in this Paper, is not offered with the least Intent to insinuate that there lives in this Kingdom, even a single Man who would prejudice the Sugar Colonies with his Eyes open; but upon an Occasion of so much Importance as this is, all honest and becoming Zeal ought to be shewn, to prevent the Nation from splitting inadvertently upon a very dangerous Rock; and it must be acknowledged that the Publick is greatly obliged to the Candour of a very honourable Gentleman, for so fair an Opportunity of examining a Point in which the general Interest is deeply concerned; and upon Examination it will appear, that an additional Duty on Sugar is so far from being the most eligible Duty that can be found out, that it would be difficult to find out one more ruinous in every Respect; ruinous to the *Revenue* by checking the Growth of our Plantations, by the Deficiency which will arise therefrom to this, and other Funds, and by opening the Door wider to the Practice of Smuggling; ruinous to our *Naval Interest*, by destroying the *British* and promoting the *French* Navigation; ruinous to the *Landholder* in the Fall of his Rents, and the Increase of the Poors Rate; to the *Merchant* in his Commissions and Returns,

turns, and the Loss of his Debts; to the *Manufacturer* in the Decrease of his Manufactures; to the *Shopkeeper*, by lessening the Demand for his Goods; and to the *Poor* in the Want of Employment; so that this additional Duty after having crushed the Grower will fall with excessive Weight upon the Consumer at last. In short, view it in every Light, turn it into every Shape, it is scarcely possible to conceive that a Tax more universally pernicious can be proposed. And if the very inconsiderable Advantages that will be acquired to the Publick by the Increase of the Revenue out of this additional Duty, (supposing the Revenue will be at all encreased by it) are compared with the extraordinary and fatal Effects it must have on the Nation in general, it is hoped, there is not a Man in it who will hesitate one Moment to pronounce, that the Duty ought never to be laid.

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